



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX

75 Hawthorne Street
San Francisco, CA 94105-3901

~~MAR 31 2014~~

Assemblyman Mark Stone
Chair
California Assembly Select Committee on Coastal Protection
P.O. Box 942849
Sacramento, CA 94249-0029

RE: Request to Present at Select Committee Hearing

Dear Assemblyman Stone:

Thank you for your invitation dated March 3, 2014 to appear at the April 11, 2014 hearing of the Select Committee on Coastal Protection in Santa Barbara concerning offshore oil well treatment and hydraulic fracturing. In lieu of having an EPA representative testify at the hearing, this letter explains how EPA's Clean Water Act permit for offshore platforms in federal waters addresses well treatment discharges.

EPA's role in this activity is the regulation of discharges of pollutants from oil and gas platforms through the National Pollutant Discharge Elimination System (NPDES) permit program under the Clean Water Act. While the Clean Water Act provides EPA the authority to regulate discharges resulting from drilling, it does not provide EPA with the authority to regulate the methods used to extract oil and gas, including any drilling, treatment, or well stimulation techniques.


In December 2013, Region 9 reissued the general NPDES permit authorizing discharges from offshore oil and gas operations in federal waters off California. This general permit authorizes and regulates 22 types of discharges from offshore operations, including well treatment fluids (discharge 003). Discharges from hydraulic fracturing operations are considered to be within the definition of well treatment fluids and are therefore subject to the requirements of discharge 003 (40 CFR Part 435.11). All 22 types of discharges are subject to discharge limits and periodic monitoring requirements as laid out in the permit.

The renewed permit includes a new requirement for platform operators to maintain an inventory of data about fluids used in well treatment operations and to report data to EPA about discharges of well treatment fluids. If the fluids are discharged, the permit requires that operators report that information with their quarterly discharge monitoring reports (DMRs), which are submitted to Region 9 and California Coastal Commission staff. If treatment fluids are used in wells but not discharged, and therefore not reported with DMRs, the inventory information would be available to EPA inspectors at the platforms during inspections, or pursuant to an information request. The renewed permit also requires whole effluent toxicity (WET) tests for produced water discharges. Those tests are designed to ensure that the combination of pollutants in the discharges are not toxic to aquatic life in the ocean environment. If well treatment fluids are discharged, they are

normally discharged with produced water. Thus, the WET tests will help provide information on the potential toxicity to marine life from chemicals used for well treatment. EPA has the authority to reopen and modify the permit if it is determined that information obtained through reporting requirements shows the need for new permit limits or conditions Part I.A.4 of the permit).

We believe the permit appropriately will ensure protection of ocean water quality. We anticipate evaluating information received in DMRs, and other pertinent information received under the new permit, to determine whether additional permit requirements would be appropriate. We expect to coordinate with Coastal Commission staff in evaluating this new information. If you have further questions, please contact David Smith, Manager of the NPDES Permits Office, at 415-972-3464 (smith.davidw@epa.gov).

Sincerely,

A handwritten signature in dark ink, appearing to read 'Jane Diamond', with a large, stylized loop at the end.

Jane Diamond, Director
Water Division